

Wasatch Integrated Waste Management District
DISTRICT

2007
YEAR

CERTIFICATION OF BUDGET

ADOPTION OF BUDGET INFORMATION:

In compliance with Title 17A, Part 4 of the Utah Code, I, the undersigned, certify that the attached budget document is a true and correct copy of the budget of Wasatch Integrated Waste Management District for the fiscal year ending June 30, 2007 as approved and adopted by resolution on June 7, 2006. A public hearing, which met the requirements of the Utah Code, section (indicate which):

☒ 17A-1-412 and 413, (applicable to entities who are adopting a budget prior to beginning of the fiscal year)

☐ 59-2-918 and 919, (applicable to entities who have budgeted a tax rate increase)

was held on May 25, 2006.

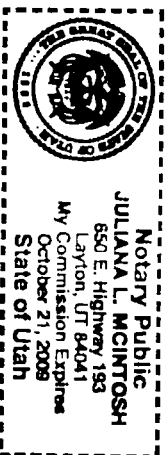
Subscribed and sworn to this 5th

day of July, 2006.

Juliana L. McIntosh

(Notary Public)

Signed: David Anderson
Budget Officer



WASATCH

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BUDGET for year ended June 30, 2007

ENTERPRISE FUND

	PRIOR YEAR	CURRENT YEAR	BUDGET
REVENUES			
Taxes: Property	\$0	\$0	\$0
Other Taxes	\$0	\$0	\$0
Fee-in Lieu of Taxes	\$0	\$0	\$0
Charges for Services	\$15,693,381	\$15,813,448	\$14,573,520
Interest Income	\$562,310	\$851,232	\$521,250
Recycling & Salvage	\$129,657	\$122,779	\$138,645
Other Revenue & Gain (Loss) Sale of Equipment	\$61,298	\$290,874	\$79,200
Other Financing Sources: Transfer From Fund Balance	\$2,988,592	\$1,155,196	\$625,898
TOTAL REVENUES	<u>\$19,435,238</u>	<u>\$18,233,529</u>	<u>\$15,938,513</u>
EXPENSES			
Salaries and Benefits	\$3,963,725	\$4,108,291	\$4,799,755
Other Operating Expenses	\$6,934,411	\$5,425,986	\$6,546,783
Depreciation	\$3,626,041	\$3,647,536	\$4,579,000
Capital Outlay	\$0	\$0	\$0
Debt Service	\$4,911,061	\$5,051,716	\$12,975
Other: Other Financing Uses: Transfers To Other Funds	\$0	\$0	\$0
TOTAL EXPENSES	<u>\$19,435,238</u>	<u>\$18,233,529</u>	<u>\$15,938,513</u>
INCOME OR (LOSS)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

RESOLUTION 06-08

***A RESOLUTION ADOPTING A BUDGET FOR FISCAL
YEAR ENDING JUNE 30, 2007***

WHEREAS, the Administrative Control Board (Board) of Wasatch Integrated Waste Management District (the "*District*") is required by law to adopt a Budget for the Fiscal Year ending June 30, 2007 in accordance with 17A-1-417, Utah Code Annotated, 1953, and the "Uniform Fiscal Procedures for Special Districts Act"; 17A-1-401, et seq., Utah Code Annotated, 1953; and,

WHEREAS, the Executive Director of the District has caused to be prepared and submitted to the Board a Tentative Budget for said District for the Budget Year ending June 30, 2007; and,

WHEREAS, said Tentative Budget appears to be in proper form subject to minor modifications, and appears to correctly set forth the anticipated disbursements and anticipated receipts of the District for the Fiscal Year ending June 30, 2007; and,

WHEREAS, a Public Hearing on said Tentative Budget was duly advertised and held on May 25, 2006 according to law,


NOW, THEREFORE, BE IT RESOLVED AND ORDERED by Wasatch Integrated Waste Management District that the hereto Tentative Budget, together with the modifications and adjustments made by the Board, if any pursuant to authority granted by the provisions of 17A-1-414 and 17A-1-417, Utah Code Annotated, 1953, be and the same is hereby adopted as the Budget for said District for the Fiscal Year ending June 30, 2007 and that a copy of said Budget as finally adopted be filed with the State Auditor within 30 days after adoption in the format requested by the State Auditor.

PASSED AND ADOPTED by the Administrative Control Board of Wasatch
Integrated Waste Management District this 7th day of June 2006.

PASSED AND ADOPTED this 7th day of June 2006.


**WASATCH INTEGRATED WASTE
MANAGEMENT DISTRICT**

BY:


John Petroff, Board Chair

ATTEST:

BY:


Dan Hancock, Secretary

WASATCH

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Final Budget

Fiscal Year 2007

July 1, 2006 to June 30, 2007

Resolution 06-08

Public Hearing

Thursday, May 25, 2006

6:00 p.m.

Wasatch Integrated Waste Management District

Energy Recovery Facility Conference Room

650 East Highway 193

Layton, Utah

Adoption of Final Budget

Wednesday, June 7, 2006

5:00 p.m.

Davis County Courthouse

28 East State Street

Farmington, Utah

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FY 2007 CONSOLIDATED BUDGET

	FY 05 ACTUAL	06 FORECAST VS. 06 BUDGET				06 FORECAST VS. 07 BUDGET		
		FY 06 FORECAST	FY 06 BUDGET	INCREASE (DECREASE)	HIGHER (LOWER)	FY 2007 BUDGET	% INCREASE (DECREASE)	HIGHER (LOWER)
REVENUE								
Household Containers	\$7,841,606	\$7,789,401	\$7,909,224	(1.51%)	(\$119,823)	\$6,946,096	(10.83%)	(\$843,305)
Commercial Containers	\$95,214	\$92,339	\$92,785	(0.48%)	(\$446)	\$76,068	(17.62%)	(\$16,271)
Tipping Fees	\$3,295,959	\$3,417,645	\$3,294,618	3.73%	\$123,027	\$3,440,422	0.67%	\$22,777
Special Waste	\$771,316	\$980,325	\$804,145	21.91%	\$176,180	\$927,435	(5.40%)	(\$52,890)
Outside District Waste	\$193,159	\$145,003	\$214,600	(32.43%)	(\$69,597)	\$158,241	9.13%	\$13,238
Steam/CoGeneration	\$3,496,126	\$3,388,735	\$3,524,444	(3.85%)	(\$135,709)	\$3,025,258	(10.73%)	(\$363,477)
Recycling	\$129,657	\$122,779	\$121,080	1.40%	\$1,699	\$138,645	12.92%	\$15,866
Permits & Fees	\$1,000	\$100	\$0	0.00%	\$100	\$500	400.00%	\$400
Interest	\$562,310	\$851,232	\$437,100	94.75%	\$414,132	\$521,250	(38.77%)	(\$329,982)
Leases / Gain (Loss) on Equip.	\$60,298	\$290,774	\$320,212	(9.19%)	(\$29,438)	\$78,700	(72.93%)	(\$212,074)
TOTAL REVENUE	\$16,446,646	\$17,078,332	\$16,718,208	2.15%	\$360,124	\$15,312,615	(10.34%)	(\$1,765,717)
STABILIZATION FUND TRANSFER						\$4,995,898		
TOTAL FUND SOURCES	\$16,446,646	\$17,078,332	\$16,718,208	2.15%	\$360,124	\$20,308,513	18.91%	(\$1,765,717)
EXPENSES								
Personnel	\$3,963,725	\$4,108,291	\$4,511,207	(8.93%)	(\$402,916)	\$4,799,755	16.83%	\$691,464
Supplies	\$957,699	\$1,058,468	\$1,299,356	(18.54%)	(\$240,888)	\$1,349,648	27.51%	\$291,180
Environmental Testing	\$106,650	\$131,686	\$130,100	1.22%	\$1,586	\$130,000	(1.28%)	(\$1,686)
Utilities	\$271,467	\$277,760	\$298,251	(6.87%)	(\$20,491)	\$321,200	15.64%	\$43,440
LF Closure/Post Closure	\$441,693	\$1,939,759	\$1,939,759	0.00%	\$0	\$495,200	(74.47%)	(\$1,444,559)
Maintenance	\$4,254,945	\$1,027,507	\$1,405,282	(26.88%)	(\$377,775)	\$3,071,960	198.97%	\$2,044,453
Memberships & Subscriptions	\$18,309	\$20,523	\$27,801	(26.18%)	(\$7,278)	\$26,901	31.08%	\$6,378
Community Relations & Ed.	\$34,882	\$36,406	\$45,540	(20.06%)	(\$9,134)	\$45,540	(25.09%)	\$9,134
Telephone/Communications	\$32,350	\$38,730	\$45,608	(15.08%)	(\$6,878)	\$33,509	(13.48%)	(\$5,221)
Permits/License/Fees	\$48,921	\$64,454	\$80,420	(19.85%)	(\$15,966)	\$92,900	44.13%	\$28,446
Insurance	\$513,524	\$447,026	\$593,690	(24.70%)	(\$146,664)	\$554,550	24.05%	\$107,524
Training & Travel	\$83,027	\$89,530	\$155,025	(42.25%)	(\$65,495)	\$148,025	65.34%	\$58,495
Professional Services/Consultation	\$170,069	\$272,811	\$231,100	18.05%	\$41,711	\$257,350	(5.67%)	(\$15,461)
Bond Interest & Bank Fees	\$396,061	\$221,716	\$227,595	(2.58%)	(\$5,879)	\$12,975	(94.15%)	(\$208,741)
Bad Debts	\$875	\$21,324	\$20,000	6.62%	\$1,324	\$20,000	(6.21%)	(\$1,324)
TOTAL OPERATING EXPENSES	\$11,294,197	\$9,755,993	\$11,010,734	(11.40%)	(\$1,254,741)	\$11,359,513	16.44%	\$1,603,520
GROSS INCREASE/(DECREASE)	\$5,152,449	\$7,322,340	\$5,707,474	28.29%	\$1,614,866	\$3,953,102	(46.01%)	(\$3,389,238)
Bond Principal Funding	\$4,515,000	\$4,830,000	\$4,830,000	0.00%	\$0	\$0	(100.00%)	(\$4,830,000)
Depreciation & Amortization	\$3,626,041	\$3,840,315	\$4,094,000	(6.20%)	(\$253,685)	\$4,579,000	19.24%	\$738,685
SUBTOTAL	\$8,141,041	\$8,670,315	\$8,924,000	(2.84%)	(\$253,685)	\$4,579,000	(47.19%)	(\$4,091,315)
CHANGE IN CAPITAL/OBLIGATIONS	\$3,405,541	\$7,467,000	\$7,617,000	(1.97%)	(\$150,000)	\$4,370,000	(41.48%)	(\$3,097,000)
TOTAL EXPENDITURES	\$22,840,779	\$25,893,308	\$27,551,734	(6.02%)	(\$1,658,426)	\$20,308,513	(21.57%)	(\$5,584,795)

WASATCH INTEGRATED WASTE MANAGEMENT DISTRICT CAPITAL BUDGET

				BUDGET	
				YEAR ENDING JUNE 30, 2007	2007 BUDGET
RENEWAL AND REPLACEMENT		RENEWAL AND REPLACEMENT		RENEWAL AND REPLACEMENT	
District		District		District	
Office Equipment Computers, Software	\$ 92,943	Office Equipment Computers, Software	\$ 120,000	Office Equipment Computers, Software	\$ 50,000
Vehicles	\$ 48,391	Vehicles		Vehicles	
Plant		Plant		Plant	
Plant Improvements		Plant Improvements	50,000	Plant Improvements	50,000
				Shaker Table Replacement	100,000
Landfill		Landfill		Landfill	
Landfill Improvements		Landfill Improvements	50,000	Landfill Improvements	95,000
Vehicles		Vehicles	40,000	Loader	150,000
Komatsu WA320-5L	131,917	Loader	200,000	Excavator	170,000
International Bin Truck	123,497	Dozer	550,000	Sweeper	100,000
Wind-Row Truner	272,850	Lube Truck	100,000	Compactor	830,000
Cat D-6 Dozer	222,523	Roll Off Truck	130,000	Fork Lift, Racks, Ramp	50,000
		Purchase H.E. Rental Equipment	1,340,000	Snow Plow Loader attachment	15,000
Total Renewal and Replacement	\$ 892,121	Total Renewal and Replacement	\$ 2,580,000	Total Renewal and Replacement	\$ 1,610,000
CAPITAL PROJECTS		CAPITAL PROJECTS		CAPITAL PROJECTS	
District		District		District	
Land	\$ 386,840	Land	\$ 250,000	Land	\$ 1,000,000
Box Elder Site / Fence	38,389				
Plant		Plant		Plant	
Fire Control System	2,927	Backup Generator	35,000		
Platform	688	CEMS	102,000		
Crane Oil Pump Station	2,601				
Power Washer	38,236				
Backup Generator	457,239				
Ash Extractors	277,016				
CEMS	61,260				
Landfill		Landfill		Landfill	
Gas to Energy	493,719	Phase One Cover		Phase 3 Construction	1,500,000
Gas Collection Expansion - Phase 1	102,544	Phase 3 construction Prep	200,000	Storm Water System Upgrade	200,000
Shop Development	182,588	Site Development	4,300,000	Asphalt Access Road	40,000
Site Development	447,143			Green Waste Water System	20,000
Gas Monitoring Wells	15,239				
Phase 4 Liner	6,991				
Total Capital Projects	\$ 2,513,419	Total Capital Projects	\$ 5,037,000	Total Capital Projects	\$ 2,760,000
Total Capital Budget	\$ 3,405,541	Total Capital Budget	\$ 7,617,000	Total Capital Budget	\$ 4,370,000

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Consolidated Budget Narrative For The Fiscal Year Ending June 30, 2007

The following is an explanation of each budget line item reflected in the Consolidated Budget for the year ended **June 30, 2007**. Each explanation corresponds to the Revenue or Expense listed along the left-hand column of the Consolidated Budget.

REVENUE

Household Containers

\$6,946,096

Revenue from automated containers placed at the curb of district residents.

First Container

The first container fee will be decrease for the second time in six months from \$8.00/month to \$7.25/month. 67,489 first containers were reported in March 2006.

\$5,959,613 = 67,489 first containers at \$7.25/month for 12 months plus 1.5% in growth

Second Containers

The second container fee will remain the same at \$4.00/month.

20,248 second containers were reported in March 2006.

\$986,483 = 20,248 second containers at \$4.00/month for 12 months plus 1.5% in growth

Commercial Containers

\$76,068

Revenue from automated containers collected at the curb of District commercial businesses.

90 gallon containers will decrease from \$8.00/month to \$7.25/month.

		Units	
	Container Size	Mar 2006	Price
\$58,464	90 Gallon	672	\$7.25/month
\$ 8,100	350 Gallon	27	\$25/month
\$9,504	440 Gallon	22	\$36/month

Tipping Fees**\$3,440,422**

The district municipal solid waste and construction waste tipping fees will remain at 28.00/ton with a minimum fee of \$5.00/load. All other items will remain at the same fee for example:

Mixed Waste \$28.00/ton

Construction & Demolition \$28.00/ton

Cleanfill \$10.00/ton

Green Waste \$10.00/ton

Processed Green Waste \$5.00/ton.

Tires \$2.00 each or \$82.00/ton.

Special Waste**\$927,435**

Special Handling includes certified document and product destruction at \$82.00/ton, with Certificate at \$100.00/ton.

Outside District Waste**\$158,241**

Waste originating from outside the boundaries of the District. This waste is brought voluntarily by customers for their convenience.

Steam/Co-Generation**\$3,025,258****Steam**

Steam Sales are based upon HAFB contract quantities and prices. The steam contract was renegotiated in February 2006. It is a five year contract with fixed price/klb of steam with an annual price escalator. Budgeted steam sales are 437,700 klbs at \$6.65 & \$6.81/ klb.

Co-Generation

Electrical power sold to Utah Power at Schedule 37 Avoided Cost Rates.

Estimate revenue is 663,000kWh at .0396/kWh

Landfill Gas to Energy

Landfill gas is sold under contract to Ameresco. Ameresco uses the gas for electrical generation at HAFB. The gas is sold at \$.35/decatherm plus reimbursed power costs

Recycling**\$138,645**

Metal, mulch, wood chips and compost

The District is annual improving recyclable products and volumes.

Permits & Fees**\$500**

Ordinance fines.

Interest**\$521,250**

Interest Revenue from investments required by District Title 9 Resolution.

Leases / Gains (Losses) on Equipment**\$78,700**

Leased property revenue, gains/(losses) on sale of equipment and miscellaneous revenue.

TOTAL REVENUE**\$15,312,615****STABILIZATION FUND TRANSFER****\$4,995,898**

Amount necessary to make **Total Revenues** and **Total Expenses** equal.

This amount will not all be actual cash expenditures because of non-cash expenses, i.e. depreciation and amortization included in **Total Expenses**.

TOTAL FUND SOURCES**\$20,308,513 = TOTAL REVENUE + STABILIZATION TRANSFER****EXPENSES****Personnel****\$4,799,755**

This line item includes the following:

Salaries & Wages**\$3,326,666**

The total number of District employees is planned at 61 full time employees, 1 seasonal employee, and 19 board members. District employee base salaries and wages have been budgeted for an increase of 5.5%. This is based upon 3.5% cost of living and up to 2.0% merit increase. The employee work force will increase by three positions at the landfill with expanded services being provided. The addition positions are one truck driver and three spotter/operators. The District also uses some temporary labor through out the year for litter pickup and extra labor as needed.

Payroll Taxes**\$324,779**

Includes all non-discretionary taxes and expenses:

- A. Employer portion of FICA taxes at 6.2% of gross salaries and wages.
- B. Employer portion of Medicare at 1.45% of gross salaries and wages.
- C. State unemployment reimbursement based upon history.

D. Workers compensation insurance premium calculated by a rate factor time's salaries and wages.

Benefits

\$1,148,310

The employee benefits include health, dental, life insurance and retirement Contributions made by the employer to the Utah State Retirement System. The increase is the result of an 18% increase in health insurance, 2% increase in dental insurance and .5% Increase in the Utah State Retirement System.

Supplies

\$1,349,648

Supplies include such items as uniforms, safety equipment, first aid equipment, office supplies, postage supplies, welding supplies, welding gases, equipment rental, calibration gases, shotgun shells, and water chemicals associated with demineralizing the process water prior to use in the boiler system at the plant. Supplies also include reagent, which is the raw material used in the injection system for acid-gas removal as well as fuel used for all district vehicles including the heavy equipment used at the landfill and enforcement vehicles. Other miscellaneous items for the District are included in this category. Increase in many items do to increases in energy especially fuels, lubricants, lime, transportation and freight

Environmental Testing

\$130,000

Testing of flue gases, sewer, residues and water.

Utilities

\$321,200

Charges for all culinary water, irrigation water, sewer and electricity.

Plant / Landfill Closure /Post Closure

\$495,200

Accrued annual costs for future closure and post closure care of the Plant and Landfill according to GASB statement 18.

Maintenance

\$3,071,960

Regular Maintenance

\$1,141,844

Represents costs for regular plant and landfill repairs including boiler tubes, grates, refractory, heavy equipment, vehicles, machinery and scales. Also includes costs of maintenance and repair of offices, copiers, office equipment, lawn care and janitorial services.

Large Job Maintenance**\$1,930,116**

Some of the large maintenance work scheduled for the July shutdown outage is:

	Unit A	Unit B
Tube Projects	\$437,850	\$562,150
Refractory Projects	\$185,000	\$175,000
Grate Projects	\$177,000	\$177,000
ESP Projects	\$ 25,000	\$ 25,000
Boiler Insulation Removal & Replacement	\$ 17,558	\$ 17,558
Ash Handling / Feed Chute Projects	<u>\$ 28,000</u>	<u>\$ 28,000</u>
Subtotal	\$870,408	\$984,708
 Roads	 \$ 75,000	

Memberships & Subscriptions**\$26,901**

This category includes subscriptions to professional publications relative to our industry, and memberships in professional organizations, such as the National Solid Waste Management Association, the Solid Waste Association of North America, the Layton Chamber of Commerce and the Utah Association of Special Districts.

Community Relations & Education**\$45,540**

Includes expenses associated with educating the community about the mission of the District, the industry in which we operate and the environment. This is accomplished by Earth Day activities, school grant funding, facility tours, printed materials and working with citizens and companies on an individual basis.

Telephone & Communications**\$33,509**

Represents funding for all communications by local and long distant telephone service, pagers and radios.

Permits & License Fees**\$92,900**

Includes fees for environmental permits, state health department, wildlife Permits, building permits, vehicle registration and professional licenses.

Insurance**\$554,600**

Premiums for the District's insurance coverage will increase due to additional property and equipment. Insurance coverage includes cost of property damage and liability insurance for the district offices and energy recovery facility, landfill equipment, automobiles, errors and

omissions for the district officers and personnel. Insurance also includes an amount for a Contingent Assessment. The Contingent Assessment will not likely be an expenditure. However, our insurance carrier requires that each policyholder budget a portion of the annual insurance premium in order to meet the State's minimum liability pool requirements.

Training & Travel

\$148,025

Training represents amounts budgeted for training of plant, landfill, and district personnel. Because the operation of the Energy Recovery Facility is highly regulated and is technically intensive, it is critical to have certified and trained staff. Training includes such things as: ASME certified boiler operators, State certified VEO (visible emissions observations) personnel at the facility, landfill operator training and certification, EPA subtitle D training, welder certification, instrument technician certification, electrician certification, industry conferences dealing with such issues as ash disposal and handling, legislative issues on the federal and state level, air quality issues, recycling, composting and waste-to-energy. Travel includes airfare, hotels, meals, mileage and other travel expenses for district employees and board members to attend conferences, seminars and training.

Professional Services/Consultation

\$257,350

Services for consulting engineers, other outside consultants, Layton City fire protection, Davis County snow removal, annual audit fees, accounting and computer network consulting and legal fees.

Bond Interest and Bank Fees

\$12,975

Reflects annual interest cost paid biannually in December and June to the bond holders of the remaining outstanding bonds from the Davis County Solid Waste Management and Energy Recovery Special Service District, Utah Revenue Bonds Series 1999. Final redemption date is June 15, 2006. Fees include bond counsel and financing issues. Other fees include bank charges, interest on debt and fees paid to the Trustee, U.S. Bank for trust services.

Bad Debts

\$20,000

Bad debts expense is calculated at less than .5% of annual tip fee sales.

Bond Principal Funding

\$0

Final redemption of bonds to occur on June 15, 2006.

Depreciation & Amortization (Non cash expenditure)

\$4,579,000

Depreciation and amortization represents allocation of the costs of fixed assets over their useful life. The District will have over \$5,000,000 of additional assets to depreciate.

Capital / Contract Obligations Outlay

\$4,370,000

Refer to District Capital Plan for details.

TOTAL EXPENSES

\$20,308,513